



**DEPARTMENT OF EDUCATION**

**FAFSA Simplification Act Changes for Implementation in the 2023-2024 Award Year**

**AGENCY:** Office of Postsecondary Education, Department of Education.

**ACTION:** Notice.

**SUMMARY:** The U.S. Department of Education (Department) publishes this notice, as required by the Consolidated Appropriations Act, 2022, of the phased implementation of some elements of the FAFSA Simplification Act for the 2023-2024 award year. This notice also addresses other rules that will take effect for the 2023-2024 award year as part of the FAFSA Simplification Act.

**FOR FURTHER INFORMATION CONTACT:** Vanessa Gomez or Brian Schelling, U.S. Department of Education, 400 Maryland Ave. SW, Room 2C179 or 2C188, Washington, DC 20202. Telephone: (202) 453-6708 or (202) 453-5966. Email: *Vanessa.Gomez@ed.gov* or *Brian.Schelling@ed.gov*.

If you are deaf, hard of hearing, or have a speech disability and wish to access telecommunications relay services, please dial 7-1-1.

**SUPPLEMENTARY INFORMATION:** Enacted into law as part of the Consolidated Appropriations Act, 2021, Division FF, Title VII (116 Pub. L. 260), the FAFSA Simplification Act makes many significant changes to the Higher Education Act of

1965, as amended (HEA), regarding the Free Application for Federal Student Aid (FAFSA®) form, need analysis, and related policies and procedures for schools that participate in the title IV, HEA programs. Due to the magnitude of these changes and to ensure that both the Department and the higher education community were prepared to fully implement the FAFSA Simplification Act, in June 2021, Federal Student Aid (FSA) announced a phased approach to implementation.<sup>1</sup> As part of this approach, in the FAFSA Simplification Act Technical Corrections Act, Division R (117 Pub. L. 103) of the Consolidated Appropriations Act, 2022 (CAA 2022), Congress extended the full implementation of the FAFSA Simplification Act until the 2024-2025 award year while also enabling the Department to implement the following elements in the 2023-2024 award year:

1. Section 702(b) of the FAFSA Simplification Act regarding cost of attendance.

2. Section 702(i) regarding discretion of student financial aid administrators. However, the system change required by this section's provisional independent student status will not be implemented until the FAFSA Simplification Act is fully integrated into our new systems for the 2024-2025 award year.

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<sup>1</sup> <https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2021-06-11/beginning-phased-implementation-fafsa-simplification-act-ea-id-general-21-39>.

3. Section 702(1) regarding special rules for independent students and definitions for independent students and determinations but excluding the revised definitions for veteran and marital status, which will be implemented in the 2024-2025 award year.

4. Section 703 regarding only the period of eligibility for Pell grants under section 401(d) of the HEA, as amended by the FAFSA Simplification Act.

Under the CAA 2022, the Department must announce in the *Federal Register* implementation of any of the above elements for the 2023-2024 award year. Accordingly, the Department announces that it will implement all the provisions described above for the 2023-2024 award year. Certain provisions, including sections 702(b), 702(i), and 702(1) of the FAFSA Simplification Act, require institutions to develop policies and procedures that address the updated requirements for students who apply for title IV, HEA student assistance prior to the beginning of that award year. Institutions must comply with the new statutory requirements when calculating awards of title IV, HEA programs for the 2023-2024 award year; performing professional judgments under the discretion of financial aid administrators for awards from that award year; and establishing a student's dependency status for that award year, even if such activities occur prior to the beginning of the 2023-2024 award year on July 1, 2023. We will

provide more detailed guidance on the changes for cost of attendance, professional judgment, and independent student statuses for the 2023-2024 Award Year in an upcoming Dear Colleague Letter.

The Department also announces that it will implement new rules establishing Pell Grant eligibility for incarcerated students in Federal and State penal institutions as well as new rules governing the prison education programs in which these students will be enrolled. Although these rules are not specifically addressed in the CAA 2022, they will also be in effect for the 2023-2024 award year, as authorized in section 702(n) of the FAFSA Simplification Act. Because these are complex topics, the Department is developing additional guidance on these rules and policies.

Accessible Format: On request to the program contact person listed under FOR FURTHER INFORMATION CONTACT, individuals with disabilities can obtain this document in an accessible format. The Department will provide the requestor with an accessible format that may include Rich Text Format (RTF) or text format (txt), a thumb drive, an MP3 file, braille, large print, audiotape, or compact disc, or other accessible format.

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**Nasser H. Paydar,**  
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